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May 23, 2007

Honorable Joseph J. Farnan, Jr.  
United States District Court  
District of Delaware  
J. Caleb Boggs Federal Building  
844 North King Street, Room 4124  
Lockbox 27  
Wilmington, DE 19801

RE: Charles A. Stanziale, Jr., Chapter 7 Trustee of Student  
Finance Corporation vs. Pepper Hamilton LLP, et al  
Civil Action No. 04-1551 (JJF)

Dear Judge Farnan:

On behalf of Charles A. Stanziale, Chapter 7 Trustee of Student Finance Corporation, we adopt and rely upon the brief and declaration filed by Royal Insurance Company in opposition to the motion by Pepper Hamilton LLP and W. Roderick Gagne to strike expert reports and preclude testimony. We are also filing a brief Declaration of Michael S. Waters in opposition to the motion.

Respectfully submitted,



Charlene D. Davis

CDD/tlw  
Enclosures  
cc: All Counsel of Record (w/enc.)  
#30233-1

**IN THE UNITED STATES DISTRICT COURT  
FOR THE DISTRICT OF DELAWARE**

CHARLES A. STANZIALE, JR., CHAPTER :  
7 TRUSTEE OF STUDENT FINANCE :  
CORPORATION, : Civil Action No. 04-1551 (JJF)  
:  
Plaintiff, :  
:  
v. :  
:  
PEPPER HAMILTON LLP, et al., :  
:  
Defendants. :  
:

**DECLARATION OF MICHAEL S. WATERS IN OPPOSITION TO PEPPER  
HAMILTON'S AND W. RODERICK GAGNÉ'S MOTION TO STRIKE EXPERT  
REPORTS AND PRECLUDE TESTIMONY**

Michael S. Waters hereby declares as follows:

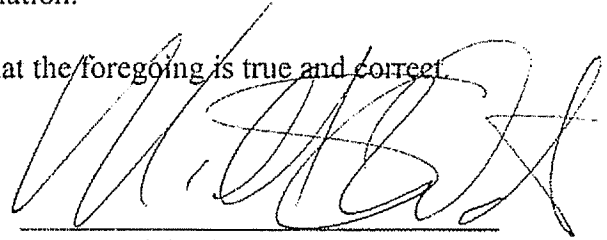
1. I am a member of the firm of McElroy, Deutsch, Mulvaney & Carpenter, LLP, counsel for the plaintiff, Charles A. Stanziale, Chapter 7 Trustee, Chapter 11 Trustee of Student Finance Corporation (“Trustee”) in the above-captioned matter. I make this Declaration in opposition to the motion of defendants Pepper Hamilton LLP and W. Roderick Gagné in his capacity as an attorney at Pepper Hamilton, LLP (collectively “Pepper”) to strike the expert reports and preclude the testimony of Professors Douglas Branson, Nancy Moore and Steven Schwartcz.

2. The Trustee shared with Professor Branson a copy of the mediation statements because they were concise statements of each party's position regarding the claims against Pepper as to which Professor Branson was asked to opine. Professor Branson signed an acknowledgement pursuant to the Court's March 15, 2006 Order

regarding confidentiality. The Trustee has not discussed with Professor Branson any of the settlement discussions that occurred at the mediation.

3. I declare under penalty of perjury that the foregoing is true and correct.

Dated: May 23, 2007

A handwritten signature in black ink, appearing to read "M. Waters", is written over a horizontal line.

Michael S. Waters, Esq.